

GREAT NORTHERN IRON ORE PROPERTIES

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October 28, 2014

To Certificate Holders of Record on September 8, 2014, and the Reversioner (currently Glacier Park Company, a wholly owned subsidiary of ConocoPhillips Company) of the Great Northern Iron Ore Properties Trust ("Trust"):

Re: Trust Termination Matters.

1. Trustees' Response to Reversioner's Objections and Memorandum Filed on October 2, 2014.

Pursuant to a petition dated and submitted by the Trustees of Great Northern Iron Ore Properties to the District Court, Second Judicial District, Ramsey County, Minnesota ("Court"), on September 9, 2014 ("Trustees' Petition"), the Trustees requested instruction and guidance from the Court relative to (i) the scope and nature of the Trustees' powers, duties, responsibilities and authority during the wind-up period after the Trust's termination date of April 6, 2015, (ii) the reasonable time periods to complete the tasks required during the wind-up period, and (iii) the appropriate allocation of expenses and costs between the Certificate Holders and Reversioner incurred in addressing the matters related to the Trust's termination and wind-up period. The Court ordered a hearing on the Trustees' Petition for October 7, 2014. On September 11, 2014, the Reversioner filed a separate Petition for Instructions with the Court ("Reversioner's Petition"), which was also scheduled to be heard by the Court on October 7, 2014. On October 2, 2014, the Reversioner filed with the Court Reversioner's Objections to Trustees' Petition for Instructions and Reversioner's Memorandum in Support of Objections to Trustees' Petition for Instructions ("Reversioner's Objections and Memorandum"). Because these documents were filed with the Court on October 2, 2014, and not received by the Trustees until the day before the hearing, the Court requested the Trustees to file a response to the Reversioner's Objections and Memorandum by October 28, 2014 ("Trustees' Response to Reversioner's Objections and Memorandum Filed on October 2, 2014" or "Trustees' Response"). The Trustees' Response was filed with the Court on October 28, 2014, and a copy is enclosed for your review.

2. October 7, 2014 Hearing to Resume on November 24, 2014.

The hearing that occurred on October 7, 2014, was not completed and the Court ordered a resumption of the hearing on Monday, November 24, 2014, at 9:30 a.m., in Room 1430 of the Ramsey County Courthouse located at 15 West Kellogg Boulevard, Saint Paul, Minnesota, 55102.

Additional information regarding the termination of the Trust may also be found on the Trust's Web site at www.gniop.com. Any questions may be directed to the Trust's Vice President and Secretary at the telephone number listed above in the letterhead. Thank you.

Sincerely yours,

/s/ Joseph S. Micallef
Chief Executive Officer and President of the Trustees

Enclosure

STATE OF MINNESOTA
COUNTY OF RAMSEY

DISTRICT COURT
SECOND JUDICIAL DISTRICT
Court File No. 62-C5-72-386008

In the Matter of the Trust known as
Great Northern Iron Ore Properties

**TRUSTEES' RESPONSE TO
REVERSIONER'S OBJECTIONS AND
MEMORANDUM FILED ON OCTOBER 2, 2014**

As requested by the Court at the October 7, 2014 hearing in this matter, the Trustees submit this Response to the Reversioner's Objections to Trustees' Petition for Instructions ("Reversioner's Objections" or "Objections") and the Reversioner's Memorandum in Support of Objections to Trustees' Petition for Instructions ("Reversioner's Memorandum" or "Memorandum") filed with the Court on October 2, 2014 (collectively, "Reversioner's Objections and Memorandum").

In its filing, the Reversioner (i) objects to the Trustees' requests for the Court's instructions and guidance in planning for the Trust's April 6, 2015 termination date and subsequent wind-up process, as well as the Trustees' proposed Wind-Up Plan as it relates to the Reversioner¹ (*see* Reversioner's Objections 1-5), (ii) requests that the Court instruct the Trustees to take various actions "consistent with Reversioner's position as absolute owner of the non-cash Trust Properties as of Trust termination on April 6, 2015" (*see* Reversioner's Objections 5-6), and (iii) objects to the Trustees' request for the Court's instructions and guidance on the

¹ The Trustees' requests for instructions and guidance, and the basis for such requests, are set forth in the Trustees' Petition for Instructions and accompanying Memorandum in Support of Petition for Instructions that were filed with the Court on September 9, 2014 ("Trustees' Petition" and "Trustees' Memorandum," respectively). The proposed Wind-Up Plan is attached to the Trustees' Petition as Exhibit A. The Trustees' Petition and Memorandum also provide the Trustees' responses to the position previously taken by the Reversioner on the issues pending before the Court (and as later reflected in Reversioner's Petition for Instructions filed on September 11, 2014, and Reversioner's Memorandum filed in Support of its Petition for Instructions on September 19, 2014).

appropriate allocation of Trust termination and wind-up costs between the income and reversionary beneficiaries (*see* Reversioner's Objections 6). The Reversioner's Memorandum offers various authorities that it contends support the Reversioner's Objections and its conclusion that the Reversioner is entitled to immediate and sole possession, management and control of the non-cash Trust Properties as of April 6, 2015. (*See* Reversioner's Mem. 1, 4-8, 11-12, 14-15, 20, 22 (¶ 1).)

For the reasons set forth herein and in the Trustees' Memorandum filed on September 9, 2014, the Trustees respectfully disagree with the Reversioner's Objections (and the proffered basis for such Objections)² and respectfully submit that the analysis and conclusions reached in the Reversioner's Memorandum are irreconcilable with and contrary to the terms of the Trust Agreement, the prior Minnesota Supreme Court cases involving the Trust, relevant Minnesota trust law, and well-recognized general trust law principles.

I. THE TRUSTEES' REQUESTS FOR THE COURT'S INSTRUCTIONS
AND GUIDANCE IN CARRYING OUT THEIR FIDUCIARY DUTIES
UNDER THE TRUST AGREEMENT AND IN WINDING UP THE AFFAIRS OF
THE TRUST AFTER APRIL 6, 2015, ARE PROPER, PRUDENT AND APPROPRIATE.

In its Memorandum, the Reversioner asserts that the Trustees' actions (presumably, the Trustees' request for the Court's instructions and guidance in clarifying their powers, duties, responsibilities and authority in winding up the affairs of the Trust after April 6, 2015, and in determining a reasonable wind-up period) are improper "efforts to maintain possession, management, and control of the non-cash Trust Properties after the Trust terminates." (*See* Reversioner's Mem. 11.) The Reversioner then goes on to state that such actions "interfere with

² It is noted that the Reversioner makes a number of unsupported or inaccurate statements in its Objections and Memorandum that, while not specifically discussed or addressed in this Response, are nonetheless respectfully disagreed with by the Trustees. (*See, e.g.*, Reversioner's Objections 3-5 (¶¶ 3, 5-6, 7); Reversioner's Mem. 5 n.3, 19 & n.11.)

Reversioner's rights" in such properties and "fail[] to recognize the Trustees' fiduciary duty to Reversioner" (and also asserts that such actions are not in the interest of the Certificate Holders since the Certificate Holders "have never had any right to possess, manage, or control the non-cash Trust Properties"). (*See id.* at 11-12 & n.8.)

The Reversioner's foregoing assertions (and similar statements throughout its Objections and Memorandum³) are simply incorrect and unfounded. The Trustees, who have served the Trust and its beneficiaries for a collective 105 years, are ever mindful of their fiduciary duty to impartially balance the interests of the Certificate Holders and the Reversioner and have respectfully requested the Court's instructions and guidance in assisting them carry out their fiduciary duties under the Trust Agreement in "winding up the affairs" of this unique 108-year-old Trust. (*See* Trustees' Pet. 1-2, 5-9.)

In support of their requests for the Court's instructions and guidance, the Trustees have provided the Court with an analysis of what they believe to be the relevant trust law authorities regarding the Trustees' fiduciary powers, duties, responsibilities and authority—and the specific direction—under the Trust Agreement after the Trust's termination date. (*See* Trustees' Mem. 1-3, 6-7.) None of these actions represent "improper efforts" to maintain possession, management and control of the non-cash Trust Properties after the Trust termination date as asserted by the Reversioner. To the contrary, the Trustees believe that the terms of the Trust Agreement, the Minnesota Supreme Court cases interpreting the Trust Agreement, and other relevant trust law authorities require a reasonable wind-up period, with the Trustees' continued management of the Trust assets during such period, before any conveyance of the non-cash Trust Properties can be made to the Reversioner. (*See id.* at 1-3, 6, 8-9.) To clarify and confirm

³ (*See, e.g.,* Reversioner's Mem. 4, 18.)

whether this is indeed the case, the Trustees have properly, prudently and appropriately requested the Court's instructions and guidance on this issue. (See Trustees' Pet. 1, 6-9, 11-12.)

II. THE REVERSIONER MISTAKENLY EQUATES A TRUST BENEFICIARY'S VESTED "LEGAL OR EQUITABLE RIGHT TO PROPERTY" UPON A TRUST'S TERMINATION DATE WITH THE BENEFICIARY'S "ENTITLEMENT TO EXCLUSIVE POSSESSION, MANAGEMENT AND CONTROL" OF SUCH PROPERTY IMMEDIATELY THEREAFTER.

The Reversioner bases the entirety of its Objections on the premise that its legal and equitable right to the non-cash Trust Properties upon the Trust's termination date automatically entitles the Reversioner to the immediate conveyance—and the exclusive right to the possession, management and control—of the non-cash Trust Properties as of April 7, 2015. (See Reversioner's Objections 1, 5; Reversioner's Mem. 1, 4-8, 11, 22.) In taking this position, the Reversioner primarily relies on the Minnesota Supreme Court case of *Zuckman v. Freiermuth*, 23 N.W.2d 541 (Minn. 1946), and this Court's 1988 Order (Trustees' Petition Exhibit B).⁴ As previously stated in the Trustees' Memorandum, the Trustees do not believe either *Zuckman* or the 1988 Order provide support for the Reversioner's position. (See Trustees' Mem. 4-5 & n.3.)

First, while *Zuckman* addresses a remainderman's legal and equitable title in real property upon termination of a trust (a movie theater in St. Paul), it does not address the remainderman's right to immediate and exclusive possession, management and control of the real property after a trust's termination date, as stated or suggested by the Reversioner at pages 8

⁴ It is noted that, at pages 7-8 of its Memorandum, the Reversioner also cites the Minnesota Supreme Court case of *In re Trust Known as Great Northern Iron Ore Properties (Great Northern I)*, 243 N.W.2d 302, 307-08 (1976), regarding the Reversioner's right and interest in the non-cash Trust Properties upon the Trust's termination; however, the Reversioner does not address the holding in that case as to the unambiguous directive under paragraph 17 of the Trust Agreement regarding a requisite wind-up period and the Trustees' payment of and provision for all Trust obligations before proceeding with any the distribution of the remaining cash assets to the Certificate Holders and the conveyance of the remaining non-cash assets to the Reversioner. See *Great Northern I*, 243 N.W.2d at 305; (Trustees' Mem. 2-3).

and 9-10 of its Memorandum. (See Trustees' Mem. 4; *supra* note 4.) Nor does *Zuckman* appear to involve an explicit trust provision requiring a wind-up period following the trust termination date (as is the case for the Trust). Second, the Trustees do not believe there is anything in the 1988 Order that supports the Reversioner's entitlement to immediate possession, management and control of the non-cash Trust Properties upon the Trust's termination date.⁵ (See Trustees' Pet. 3-5, Exs. B, C; Trustees' Mem. 4-5 & n.3.) While the Reversioner relies on the 1988 Order's use of the phrase "absolute owner," nothing in the Order equates "absolute ownership" with a right to immediate and sole possession, management and control of the non-cash Trust Properties.

As set forth in the Trustees' Memorandum, the Trustees believe that the Reversioner's position conflicts with the explicit terms of paragraph 17 of the Trust Agreement, the Minnesota Supreme Court's interpretation of that paragraph of the Trust Agreement in *Great Northern I*, 243 N.W.2d at 305, and *In re Trust Known as Great Northern Iron Ore Properties (Great Northern II)*, 263 N.W.2d 610, 617 (Minn. 1978), other seminal Minnesota cases (*In re Trust Created under Agreement with McLaughlin (McLaughlin)*, 361 N.W.2d 43 (Minn. 1985), and *Govern v. Hall*, 430 N.W.2d 874 (Minn. Ct. App. 1988)), and the recognized general trust law authorities of Mary F. Radford, George Gleason Bogert, and George Taylor Bogert, *The Law of Trusts and Trustees* § 1010 (3d ed. 2006) [hereinafter Bogert, *Trusts and Trustees* § 1010] and Restatement (Third) of Trusts § 89 cmts. b, c (2007). (See Trustees' Mem. 1-3.)

⁵ Equally without merit is the Reversioner's assertion at page 10 of its Memorandum that the Trustees are somehow attempting "to rewrite" the 1988 Order as to its intended and limited purpose. The Trustees believe that the Court's record of the December 19, 1988 hearing, as well as the Stipulation upon which the 1988 Order is based, speak for themselves. (See Trustees' Pet. 3-5, Ex. C; Trustees' Mem. 4-5 & n.3.)

Noticeably absent from the Reversioner's Memorandum is any meaningful analysis of paragraph 17 of the Trust Agreement and the Minnesota Supreme Court's interpretation of that paragraph in *Great Northern I* and *Great Northern II* (or any of the other above cited authorities) regarding the requisite wind-up period, and the Trustees' continued management and possession of the Trust assets during such period, following the Trust's termination date. The Reversioner does, however, single out for criticism the Trustees' references to *McLaughlin* and the Restatement (Third) of Trusts § 89 comments b and c, at page 3 of the Trustees' Memorandum. (See Reversioner's Mem. 8-9 & n.6.)

Although the Minnesota Supreme Court has not yet formally cited the Restatement (Third) of Trusts, Minnesota courts have long recognized as authority the Restatement (Second) of Trusts (1959). See, e.g., *Kohler v. Fletcher*, 442 N.W.2d 169, 171-72 (Minn. Ct. App. 1989). In this regard (and further supporting the Trustees' Memorandum), the Restatement (Second) of Trusts §§ 344 and 345 state, in relevant part:

a. The time for termination of the trust. By 'the time for the termination of the trust' is meant the time at which it becomes the duty of the trustee to wind up the trust. Ordinarily this time is at the expiration of the period for which the trust is created. . . . Although the time for the termination of the trust has arrived in accordance with the terms of the trust, the trustee does not thereby necessarily cease to be trustee, but he continues to be trustee until the trust is finally wound up. The period for winding up the trust is the period after the time for termination of the trust has arrived and before the trust is terminated by the distribution of the trust property. This period may properly be longer or shorter, depending upon the circumstances.

Restatement (Second) of Trusts § 344 cmt. a (1959) (emphasis added).

e. Delay in making conveyance. Although the time for the termination of the trust has arrived, the trustee is not liable for breach of trust merely because he does not immediately convey the trust property to the beneficiary entitled to it. The duty of the trustee is to proceed to wind up the trust within such time as under all the circumstances is reasonably required for the purpose.

* * *

When the time for the termination of the trust has arrived it is the duty of the trustee to proceed with expedition to wind up the trust and distribute the estate.

The trustee is entitled to take such time and such steps as are reasonably necessary for the protection of the interests of the beneficiary and for the trustee's own protection.

Id. § 345 cmt. e (emphasis added).

With regard to *McLaughlin*, the Reversioner contends that Trustees “erroneously rely” on that case at page 3 of the Trustees’ Memorandum.⁶ (See Reversioner’s Mem. 8.) The Reversioner asserts that because *McLaughlin* involved a trust where the beneficiaries were not readily ascertainable, the case is to be narrowly construed and does not apply here since the reversionary beneficiary of the Trust (the Reversioner) is readily ascertainable. We disagree. While ascertaining the intended beneficiaries is certainly one factor in determining a reasonable wind-up period following a trust’s termination date, it is only one of many factors that must be addressed by a trustee in winding up a trust, including determining the exact amount and extent of each beneficiary’s interest in the remaining trust assets, filing the final tax returns, obtaining the Court’s approval of a final trust accounting and distribution plan, and the Court’s discharge of the trustees.⁷ See, e.g., Bogert, *Trusts and Trustees* § 1010, *supra*.

⁶ The Reversioner incorrectly attributes the quoted phrase at the bottom of page 8 of its Memorandum to *McLaughlin* (when it is actually based upon Restatement (Third) of Trusts § 89 comments b and c). The Trustees cited *McLaughlin* with the following quote from that case: “Although terminated, the trust continues for a reasonable time during which the trustees have the power to perform acts necessary to wind up the trust.” (See Trustees’ Mem. 3 (quoting *McLaughlin*, 361 N.W.2d at 46).)

⁷ It is noted that the Reversioner objects to any request by the Trustees for their discharge from liability by the Court after approval of their final accounting. (See Reversioner’s Objections 5 (¶ 8); Reversioner’s Mem. 19-20.) The Reversioner cites no authority for taking such a position, nor do the Trustees believe it could. A trustee’s discharge and release from liability following the approval of the trust’s final accounting is a fundamental precept of trust law. See Minn. Stat. § 501B.16(23) (2014); *In re Declaration of Trust Made by Bush*, 81 N.W.2d 615, 624 (Minn. 1957); Restatement (Second) of Trusts § 220 (1959); 4 Austin Wakeman Scott et al., *Scott and Ascher on Trusts* § 24.25 (5th ed. 2007).

In this regard, Bogert, *Trusts and Trustees* § 1010, *supra*, (a previous version of which was cited by the Minnesota Supreme Court in *McLaughlin*, 361 N.W.2d at 46, in holding that “[a]lthough terminated, the trust continues for a reasonable time during which the trustees have the power to perform acts necessary to wind up the trust”) states, in relevant part:

At such time when the trust is terminated in any way, whether by the expiration of its fixed term or by revocation or court decree or otherwise, the trust nevertheless continues for a reasonable time during which the trustee has power to perform such acts as are necessary to the winding up of the trust and the distribution of the trust property as are expressly given or reasonably implied from the trust instrument. . . . Determination of what constitutes a reasonable period within which to wind up the trust and distribute the trust assets will depend upon a number of facts with respect to the particular trust. . . . If the trust is terminated by its terms, whether upon the death of the income beneficiary or expiration of the specified trust term or otherwise, the trustee may have one or more of the following duties to perform during the winding up period: . . . to file federal and state tax returns and pay taxes due or payable from the trust . . . ; to file a final or distribution account with, and secure the trustee’s discharge from, the court; to prepare a distribution plan and secure the approval of the beneficiaries thereto. Any one of these duties may require considerable time.

Bogert, *Trusts and Trustees* § 1010, *supra* (emphasis added) (footnotes omitted).⁸ It is also noted that *McLaughlin* is favorably cited in *Govern v. Hall*, 430 N.W.2d 874, 877-78 (Minn. Ct. App. 1988) (citing *McLaughlin* for the proposition that after a trust’s termination date, the trust

⁸ Similarly, in addressing the powers and duties of a trustee upon termination of a trust, Scott and Ascher on Trusts states, in relevant part:

The trustee’s duties and powers do not cease immediately on the trust’s termination date. Until trust administration actually ends, the trustee has such duties and powers as are appropriate to wind up the trust.* The trust ordinarily does not automatically terminate on its termination date; it terminates only when the trustee has rendered a final accounting and conveyed the trust property to those who are entitled to it.* . . . After the termination date, the trustee must endeavor to wind up the trust within a reasonable time.* What constitutes a reasonable time depends, of course, on the circumstances. Sometimes, a considerable period elapses before it is possible to wind up the trust and distribute all of the trust property.

5 Austin Wakeman Scott et al., *Scott and Ascher on Trusts* § 36.1 (5th ed. 2008) (emphasis added) (footnotes omitted) (citing, where marked by asterisk, *Govern v. Hall*, 430 N.W.2d 874 (Minn. Ct. App. 1988)).

remains until “all interests in the trust have been ascertained and a final accounting made and all trust proceeds distributed ‘in fact’”). (See Trustees’ Mem. 3.)

In requesting the Court’s instructions and guidance in winding up the affairs of this very unique, 108-year-old Trust, the Trustees have identified what they believe to be the many tasks and actions that must be completed in winding up the affairs of the Trust and the reasonable amount of time required to complete such tasks and actions. (See Trustees’ Pet. 7-9, Ex. A (Wind-Up Plan); Hr’g Tr. 53-63, 68-70, 110-28, 145-47, 169-74, 176-86, 208-13, October 7, 2014; Trustees’ Exs. 6, 7, 19.) The Reversioner’s basis for objecting to the Trustees’ proposed Wind-Up Plan⁹ and in asserting that all non-cash Trust Properties (which are essentially all of the Trust’s income-producing assets) must be conveyed to the Reversioner immediately on April 7, 2015, is contrary to the Trust Agreement, *Great Northern I*, *Great Northern II*, and the trust law authorities cited in the Trustees’ Memorandum and further highlighted in this Response. In order to properly carry out their fiduciary duties during the wind-up period, the Trustees need to maintain management and possession of the Trust assets for a reasonable period of time. During that time, the Trustees will continue to communicate and cooperate with the Reversioner—as

⁹ The Reversioner objects to any “global approval” of the Trustees’ proposed Wind-Up Plan on a number of grounds—all of which are predicated on the Reversioner’s position that it is entitled to the immediate conveyance, possession, management and control of the non-cash Trust Properties upon the Trust’s termination date. (See Reversioner’s Objections 2-5; Reversioner’s Mem. 1-3, 13-20.) Included within these objections is the Reversioner’s criticism that the Trustees have not designated definitive completion dates for some of the tasks and actions identified in its proposed Wind-Up Plan submitted to the Court for review and guidance (see Trustees’ Pet. Ex. A). (See Reversioner’s Objections 2-3; Reversioner’s Mem. 16-17.) In this latter regard, the Trustees have prudently and appropriately requested the Court’s instructions and guidance in setting reasonable time periods for completing the identified tasks and actions in the Wind-Up Plan and, related thereto, the Trustees have provided the Court with information that they believe will be helpful in setting these reasonable time periods. (See Trustees’ Pet. 7-9; Trustees’ Mem. 6-7; Hr’g Tr. 61, 123-28, 140-41, 145-47, 169-74, 176-86; Trustees’ Exs. 6, 7, 19.)

they have in the past (*see* Hr’g Tr. 64-108, 110, 155-69)—to achieve the eventual transition of the non-cash Trust Properties at the conclusion of the wind-up process. The Trustees, however, cannot simply abdicate their fiduciary duties under the Trust Agreement to accommodate the Reversioner’s “needs [and] desires” (*see* Reversioner’s Objections 4 (¶ 6)).

III. ALLOCATION OF TRUST TERMINATION AND WIND-UP EXPENSES AND COSTS BETWEEN CERTIFICATE HOLDERS AND THE REVERSIONER.

The Reversioner further objects to the Trustees’ request for the Court’s instructions and guidance in arriving at a fair and equitable allocation of the Trust’s termination and wind-up expenses between the Certificate Holders and the Reversioner. (*See* Reversioner’s Objections 6; Reversioner’s Mem. 20-21.) The Trustees’ request is largely due to the significant amount of time and expense already incurred by the Trustees, Trust staff and Trust counsel in reviewing and responding to the requests and inquiries from the Reversioner since December 2013 relative to the Trust termination and wind-up process.¹⁰ (*See* Trustees’ Pet. 10-11; Trustees’ Mem. 7-8; Hr’g Tr. 128-29; Trustees’ Exs. 9, 12, 13, 14, 15, 16, 17, 18.)

As the basis for its objections, the Reversioner states that such a request for instructions is “premature” because “the Trustees have not provided Reversioner or the court with specific details regarding the expenses and costs for which they seek instruction.” (Reversioner’s Objections 6; *see also* Reversioner’s Mem. 20-21.) The Reversioner also requests that the Court “reserve the issue” until the Court decides “whether the Trustees are even authorized to undertake certain activities in which they would incur costs, expenses and fees” and until the

¹⁰ The Reversioner also asserts in footnote 12 of its Memorandum, at pages 20-21, that it has only “made fairly modest requests for information from the Trustees which primarily involve photocopying of certain documents.” This is contrary to the record in this case. (*See* Hr’g Tr. 82, 87-108, 110, 162-69; Trustees’ Exs. 9, 12, 13, 14, 15, 16, 17, 18.)

Reversioner is provided the opportunity to resolve the issue with the Trustees. (Reversioner's Objections 6; *see also* Reversioner's Mem. 21-22.)

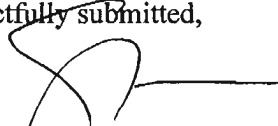
As to the Reversioner's asserted "premature" objection, at the October 7, 2014 hearing, the Trustees provided the Court and the Reversioner with a summary of the total attorney's fees incurred and paid by the Trust with regard to Trust termination and wind-up matters for the period January 2014 through August 2014, together with the allocable portion of those fees related to reviewing and responding to the Reversioner's requests and inquiries since December 2013. (*See Hr'g Tr.* 128-29.) On October 14, 2014, the Reversioner requested documentation of the attorney's fees summarized at the October 7, 2014 hearing, and, pursuant to that request, the Trustees will be providing both the Reversioner and the Court with such documentation in advance of the November 24, 2014 hearing. As for the Reversioner's request that the Court "reserve this issue," the Trustees believe that the Court's instructions and guidance should not be delayed due to the importance of ensuring that the Trust's termination and wind-up expenses and costs are allocated to, and ultimately paid by, the appropriate Trust beneficiaries. (*See Trustees' Pet.* 9-11; *Trustees' Mem.* 7-8.)

IV. CONCLUSION

The Trust Agreement explicitly directs the Trustees to commence winding up the affairs of the Trust upon the Trust's termination date of April 6, 2015. To carry out their fiduciary duties in doing so, the Trustees have identified the tasks and actions they believe must be completed (and the estimated time to complete them) before a final accounting can be filed with the Court and distributions and conveyances of the Trust's assets can be made to the beneficiaries. Prudently and appropriately, the Trustees have requested the Court's instructions in guiding them through this wind-up process and in approving a reasonable time period within which to complete that process given the unique circumstances of this 108-year-old publicly-

traded Trust—all while the Trustees continue to impartially balance the interests of both the Reversioner and the Certificate Holders. The import of the Trustees' requests for the Court's instructions and guidance on these issues is further evidenced in this Response.

Respectfully submitted,



Dated: October 28, 2014

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